

SUZUKAWA, S.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

LAURA LITINSKY,

Plaintiff,

Case No. 07-CV-011475(RJS)

-against-

DIAMANTE THE DIAMOND  
MANUFACTURERS, INC., RAFAEL  
ZAKARIA, and THE GEMOLOGICAL  
INSTITUTE OF AMERICA,

Defendants.

**STIPULATION OF SETTLEMENT  
AS TO DEFENDANT  
GEMOLOGICAL INSTITUTE OF  
AMERICA**

WHEREAS, on December 21, 2007, Plaintiff Laura Litinsky ("Litinsky") commenced against Diamante The Diamond Manufacturers, Inc. ("Diamante"), Rafael Zakaria ("Zakaria"), and The Gemological Institute of America, Inc. ("GIA") the above-captioned action (the "Action") to recover possession of 5.02 carat oval cut brilliant F-VVS2 diamond, which is the subject of this action and GIA Grading Reports numbered 12011455 and 16434784 (the "Diamond");

WHEREAS, GIA has no right, title, or interest in or to the Diamond and is a defendant in the Action by reason of being a stakeholder of the Diamond; and

WHEREAS, Litinsky has agreed to dismiss GIA from the Action and release GIA from any and all claims relating to the Diamond, provided GIA agrees to maintain possession of the Diamond pending either an agreement between and among Litinsky, Diamante, and Zakaria resolving their claims of ownership of the Diamond, or the receipt by GIA of an order, subpoena, or governmental directive requiring GIA to deliver the Diamond.

NOW, THEREFOR, in consideration of the foregoing, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby stipulated and agreed, by and among Litinsky, by her attorneys, Proskauer Rose LLP, and GIA, by its attorneys, DLA Piper US LLP, as follows:

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1. GIA shall maintain possession of the Diamond until such time as GIA receives (a) a fully executed agreement between and among Litinsky, Diamante, and Zakaria, by which the parties agree to GIA's delivery of the Diamond, as shall be set forth in such agreement, (b) an order of a court of competent jurisdiction (including jurisdiction over GIA) directing GIA to deliver possession of Diamond to Litinsky, Diamante, Zakaria, or such other party as the court may direct, or (c) a duly issued court order, search warrant, governmental directive, or other legal process issued by a court or governmental body having jurisdiction over GIA.

2. Release of GIA. Litinsky as "RELEASOR," on behalf of herself and all of her agents, representatives, parents, subsidiaries, and affiliates, in consideration of the mutual promises and covenants herein and other good and valuable consideration, the receipt of which is hereby acknowledged, hereby releases and discharges GIA, and its respective parents, subsidiaries, affiliates, predecessors, successors, assigns, agents, attorneys, representatives, managers, shareholders, officers, directors, and employees, from all actions, proceedings, causes of action, suits, debts, dues, sums of money, accounts, reckonings, covenants, contracts, controversies, agreements, promises, damages, judgments, claims, and demands whatsoever, in law or equity, which against GIA, or their respective parents, subsidiaries, affiliates, predecessors, successors, assigns, agents, attorneys, representatives, managers, shareholders, officers, directors, and employees, the RELEASOR, or its parents, subsidiaries, affiliates, predecessors, successors, assigns, agents, attorneys, representatives, managers, shareholders, officers, directors, and employees, ever had, now have, or hereafter can, shall, or may have, for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE, relating to the Diamond; provided, however, that this release shall not apply to Zakaria, Diamante, or any person or entity other than GIA who came into possession of the Diamond after Litinsky lost possession of the Diamond on November 18, 2006, and prior to GIA's receipt of the Diamond in or about November 2007.

3. Dismissal of Action as Against GIA. The Action is dismissed, with prejudice, as against GIA. However, GIA agrees to comply with any order entered by the Court with respect to the Diamond.

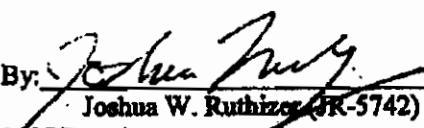
4. Dismissal of Counterclaims against Litinsky. All counterclaims filed by GIA against Litinsky are dismissed with prejudice.

5. Condition of Diamond. GIA hereby covenants that the Diamond is in the same physical condition as when GIA received possession of the Diamond in or about November 2007.

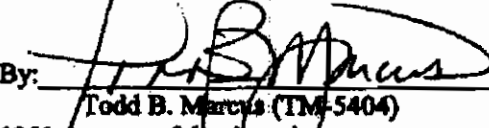
6. Miscellaneous. This Stipulation constitutes the entire agreement concerning its subject matter and supersedes any prior or contemporaneous representations or agreements not contained herein concerning the subject matter hereof. This Stipulation shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Each party executing this Stipulation represents that such party understands all of the terms and provisions hereof, has reviewed with independent advisors or legal counsel such terms and provisions, and has the full authority and legal power to execute this Stipulation. This Stipulation may be executed in separate counterparts which, when taken together, shall constitute one and the same fully executed Stipulation. For the purposes of this Stipulation, a copy of a signature shall suffice as an original. Any party may submit to the Court, without notice to the other parties, this Stipulation to be so-ordered.

Dated: February 11, 2008

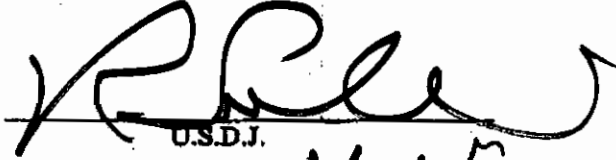
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SO ORDERED:

  
U.S.D.J.  
2/11/08